

THE INTERNATIONALIZATION OF THE ANNUAL FINANCIAL SITUATIONS REGARDING THE EU ADERATION

SITUAȚIILE FINANCIARE ANUALE ÎN CONDIȚIILE ADERĂRII LA UNIUNEA EUROPEANĂ

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Abstract. *The financial situations determined according to the current regulations of a country are often not completely available to the foreign investors. The various accounting options and the diversity of the published pieces of information frequently lead to international comparisons. These kind of difficulties represent to the investors supplementary costs which could have been avoided. A complete harmonization of the financial-accounting pieces of information is advantageous for all enterprises, considering the importance of the international stratum for all the levels of the economy. The commercial trades do not take place within an enclosed national environment but within the framework of the world-economy where the diversity of the socio-economical, legal and politic factors have created considerable differences regarding the annual accounts of various countries, both structure and content. Thus the pieces of information differ in what quality and quantity are concerned from one country to another and do not allow the process of comparison to take place.*

Rezumat. *Situațiile financiare stabilite conform reglementărilor și uzanțelor unei țări sunt adesea greu accesibile pentru investitorii străini. Diferitele opțiuni de contabilizare și diversitatea informațiilor publicate conduc frecvent la comparații internaționale. Aceste dificultăți reprezintă pentru investitori costuri suplimentare care ar putea fi evitate. O armonizare a informației contabil-financiare este conformă interesului tuturor întreprinderilor, avându-se în vedere importanța dimensiunii internaționale la toate nivelurile economiei. Schimburile comerciale nu se desfășoară într-un spațiu național închis, ci în cadrul economiei mondiale în interiorul căreia diversitatea factorilor economico-sociali, juridici și politici au determinat diferențe considerabile referitoare la conturile anuale ale diverselor țări, atât în ceea ce privește structura, cât și conținutul. Astfel informațiile sunt diferite cantitativ și calitativ de la o țară la alta și nu permit comparabilitatea.*

Taking into account the internationalization of the sale markets, the fusion tendency of the national markets into a common one, the increase of the international investments there appeared the necessity to close the accounting systems. Such a thing is especially asked by the international investors to determine the opportunity of the capital placing (Tabara & Horomnea, 2000).

There are several accounting cultures, but the Anglo-Saxon and the continental ones especially imposed. The question is toward what accounting conception will tend the international harmonization?

The two conceptions arrived at a common denominator at the end of 1980 years concerning the concepts, the conventions and evaluation methods, remaining at the same time different in the following fields:

- institutional (the Anglo-Saxon conception is not codified in a national plan, in contrast to the American accounting conception);
- technical (the classifying of the expenditures and of the incomes in the continental conception is made in accordance with the nature, in contrast to the Anglo-Saxon classification by function). Such a fact determined in the French accounting two bearings represented by financial and administration ones.

The differences between the two tendencies generated divergent conceptions on the users satisfying as follows:

- the Anglo-Saxon conception is giving priority to the satisfying of the decisions needs of the investors against the population;
- the continental conception wishes the satisfying of all the users.

The most representative international accounting organizations are represented by:

- ◆ IASC (International Accounting Standards Committee), created in 1973;
- ◆ IFAC (International Federation of Accountants), founded in 1977;
- ◆ FASB (Financial Accounting Standards Board), American normalization organism;
- ◆ ICCA (Canadian Institute of Accepted Accountants), Canadian regulation organism;
- ◆ ONU (United Nation Organization);
- ◆ CEE (Economical European Community).

Till this moment, Economical European Community made efforts in the accounting harmonization toward the direction of approaching the accounting systems of the member countries, drawing up several directives referring to:

- the publishing of the annual accounts of the societies with limited responsibility- Directive I, March 1968;
- the structure, the contents of the annual accounts, of the administration report for the societies with limited responsibility and for the shares societies – Directive IV, July 1978;
- drawing up the consolidated accounts – Directive VII, June 1983;
- professional qualification of expert accountants - Directive VIII, April 1984.

As a consequence, the harmonization of the accounting information of the annual accounts in international contrivance, as well as in the European one, has to solve several problems, to remove several obstacles, through which extremely important are (Feleaga, 1996):

- linguistic barriers, being relatively to say that exists an official language as compared to others;
- national traditions which influence the manner to apply the texts in one field;
- the techniques of administration and informing, different from one country to another;

the play of options inserted in the texts of directives, referring to the principles for the drawing up and evaluation of goods, the presenting of the annual accounts, the publishing and control of annual accounts.

The normalization and harmonization of the accounting systems represent two processes which interpenetrate and reciprocally complete. The **normalization** of the accounting has as scope the elaboration and the applying of some concepts, methods and rules concerning the producing and utilisation of accounting information in the view of ensuring the comparability of such information in time and space (Pahone, 2004).

The **harmonization** is a term devoted to the international accounting to designate the reducing of the differences between the international accounting regulations. The harmonization is distinguished from normalization which presumes primordially the total standardization of the rules (Feleaga, 1996).

Between the factors which necessitate harmonization at the international level we are able to enumerate (Feleaga, 2001):

- the asking of the users for financial situations;
- the more and more evident globalization of the economics;
- the enlargement of European Union;
- the increasing globalization of capital markets;
- the tendency toward privatization of some enterprises.

We appreciate as a priority the adaptation of financial situations of one enterprise from one country in such manner to conform to different national accounting standards, in the view of making them corresponding to the bursaries from another countries.

In one market economy the accounting harmonization and normalization have as object the organization of the functioning rules for the market of accounting information, in the view of the optimization of financial communication. The two processes are necessary since contribute to the defining of the offer and asking of accounting information as well as to the lack of balance appearing at the level of one of them. The accounting information market might assure the protection of the interests of the associates and third parties through the favouring of:

- the development of the accounting information (from the point of view quantitative and qualitative);
- their publishing (transparency);
- the increase of the comparing possibilities in time and space.

In 1973 was established the International Accounting Standards Committee (IASC) on the basis of one agreement between accounting professional organisms from Australia, Canada, France, Germany, Japan, Mexico, Holland, Great Britain and Ireland and U.S.A. Since 1983 the quality as a member of IASC is attributed to every professional accounting organisms being members of the International Federation of Accountants (IFAC).

The financial situations established in accordance with the regulations and usages of one country are often hardly accessible to stranger investors. The different options of accounting and the diversification of published information are driving

frequently toward international comparisons with really little conclusiveness. Such difficulties represent for the enterprises and investors additional costs which might be avoided. One harmonization of financial-accounting information is corresponding to the interest of all enterprises, taking into account the importance of the international dimensions at every level of economy (Tabara & Horomnea, 2000).

In the third section of "The financial situations of the enterprises" from the Harmonized Accounting Regulations with the Directive IV of CEE and International Accounting Standards it is stipulated that every enterprise is obliged to draw up annual financial situations which might include: the balance sheet; income and loss account; the situation of the changes of own capital; situation of the treasury fluxes; accounting politics; and explicative notes.

The Law of accounting no. 82/1991, republished, modified and completed through G.O.no. 61/31 August 2001 (O.M. no. 531) foresee at the article no. 27, paragraph 3 and 4:

„For juridical persons applying the accounting regulations harmonized with the directives of CEE and International Standards of Accounting. Approved through the order of the Ministry of Public Finances the annual financial situations composed from balance sheet, income and loss account, the situation of the changes of own capital, the situation of treasury fluxes, accounting politics and explicative notes" (paragraph 3).

In the IASC regulation there are stipulated the following objectives concerning the special role owned by the balance sheet both in the internal decisional processes as well as especially in the decisions taken by the external users of the accounting information:

- the elaboration and publishing for the public benefit of the accounting standards which will serve as basis for the presentation of financial situations and for the promoting at the international level their acceptance and respecting;
- the carrying on the activity toward the improvement and harmonization of the regulations, accounting standards and procedures associated with the presentations of financial situations.

In the view of the harmonization of the accounting information the IASC Council adopted as a general frame having as principal objective the providing of the comparability of such information.

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